



SAN DIEGO  
HOUSING  
COMMISSION

# San Diego Housing Commission FY 2011 Annual Finance Audit Report Presentation



# FY 2011 Annual Financial Reports

- San Diego Housing Commission Comprehensive Annual Financial Report (CAFR)
- San Diego Housing Commission Otay Villas Housing Development Project NO. 80-RHC-026 Financial Statement and Independent Auditors' Report
- San Diego Housing Commission Scattered Sites Housing Development Project NO. 80-RHC-002 Financial Statement and Independent Auditors' Report
- San Diego Housing Commission Single Audit Reports
- San Diego Housing Commission Report To The Audit Committee Of The Board Of Commissioners



# FY 2011 Annual Financial Reports

- Audit Period: July 1, 2010 - June 30, 2011
- Audit Opinion: Unqualified
- Independent Auditors: Reznick Group, P.C.
- CAFR Certificate of Achievement for Excellence in Financial Reporting from GFOA for 2008/09/10
- Award for Outstanding Achievement in Popular Annual Financial Reporting from GFOA for 2010



# CAFR Components



## Introductory Section

- Transmittal Letter
- GFOA Certificates
- Organization Chart

## Financial Section

- Audit Opinion
- MD&A
- Financial Statements

## Statistical Section

- Trend Information
- Statistics
- Operating Information



# FY 2011 Summary

- 262 employees at June 30, 2011
- Total Revenues of \$224.0MM
- No city general funds used
- 58 federal, 5 state and 65 local grants and programs
- Total Expenses of \$202.3MM
- Housing Programs assisted > 125,000 San Diegans
  - Section 8 Rental Assistance/MTW
  - Housing Innovations Department
  - Real Estate



# Highlights - Letter of Transmittal

- Rental Assistance Department
  - 14,324 rent subsidies
  - Achievement Academy
    - 907 students enrolled in self-sufficiency and asset building programs
    - 1,652 individuals received over 8,540 services
- Housing Innovations Department
  - 1,699 seasonal shelter beds
  - 4,200 served in homeless drop-in center
  - 400 transitional beds
  - 56 families in special programs



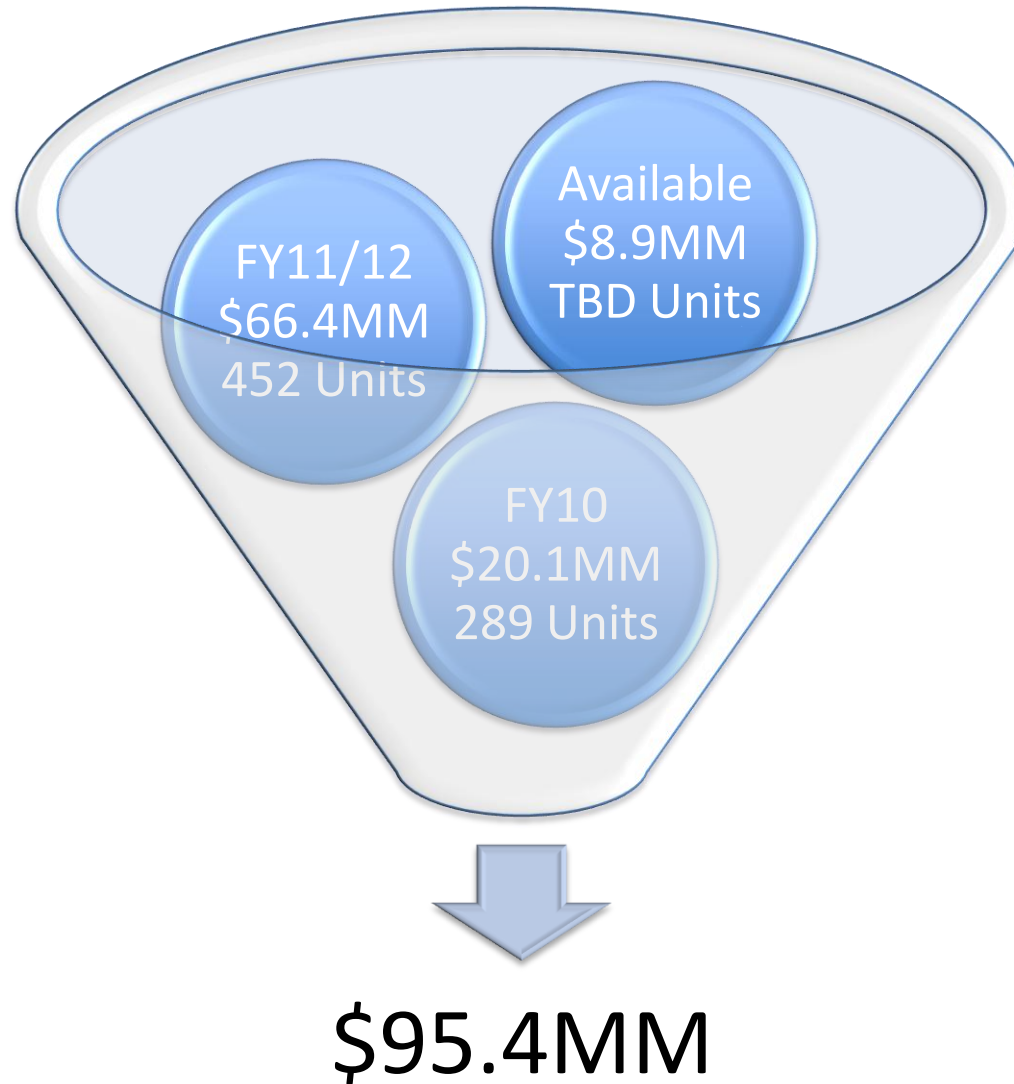
# Highlights - Letter of Transmittal

- Real Estate Department
  - To date, involved in providing or operating 2,161 units (as of June 30, 2011)
  - Use of Finance Plan Loan Proceeds:

|                                      |                      |
|--------------------------------------|----------------------|
| Gross Proceeds (\$58.2 in FY11)      | \$ 95.4MM            |
| Less: Financing Fees                 | ( 2.1MM)             |
| Less: Completion/Repair Reserves     | ( 2.9MM)             |
|                                      | <hr/> 90.4MM         |
| Less: Spent/Committed                | (79.5MM)             |
| Less: Asset/Development & Legal Fees | ( 2.0MM)             |
| Available/Uncommitted                | <hr/> <hr/> \$ 8.9MM |



## Use/Commitment of Proceeds (741+ Units)





# Acquisition Details

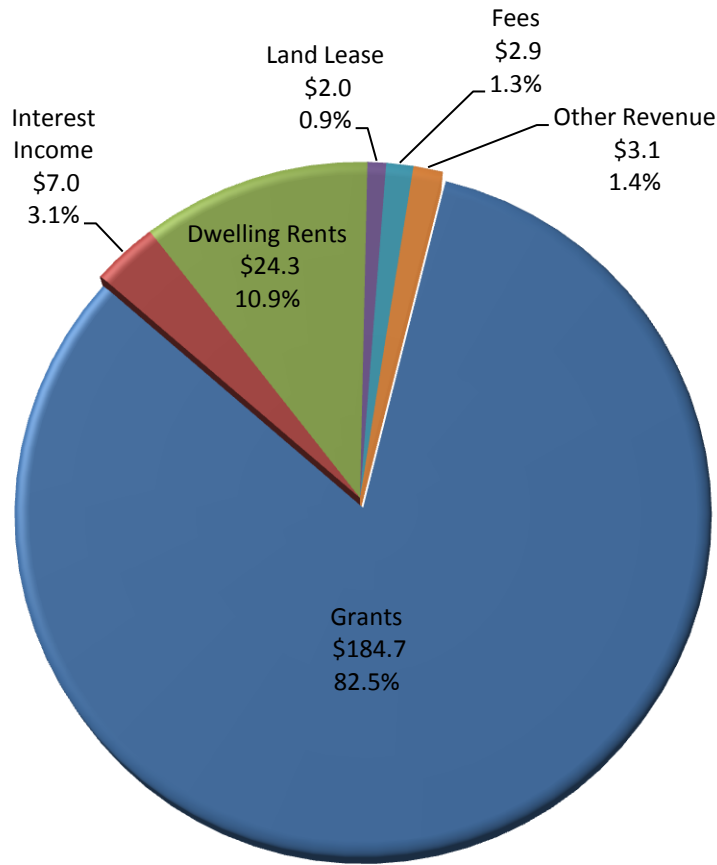
| Acquisitions                 |            |                      |              |
|------------------------------|------------|----------------------|--------------|
| Partnerships                 | # of Units | Investment           | Closing Date |
| Riverwalk Apartments         | 49         | \$ 4,475,000         | 04/2010      |
| Arbor Village Apartments     | 111        | 7,900,000            | 04/2010      |
| Vista Grande Apartments      | 48         | 3,812,000            | 10/2010      |
| Mercado del Barrio           | 91         | 7,005,000            | 03/2011      |
| Mission Apartments           | 84         | 6,000,000            | 05/2011      |
| Terramar Apartments          | 20         | 2,150,000            | 07/2011      |
| <b>Sub-total</b>             | <b>403</b> | <b>\$ 31,342,000</b> |              |
| Publicly Owned               |            |                      |              |
| Hotel Sandford               | 129        | \$ 6,095,000         | 03/2010      |
| Mariner's Village Apartments | 172        | 34,331,000           | 10/2010      |
| Courtyard Apartments         | 37         | 7,686,000            | 09/2010      |
| <b>Sub-total</b>             | <b>338</b> | <b>\$ 48,112,000</b> |              |
| <b>Total</b>                 | <b>741</b> | <b>\$ 79,454,000</b> |              |



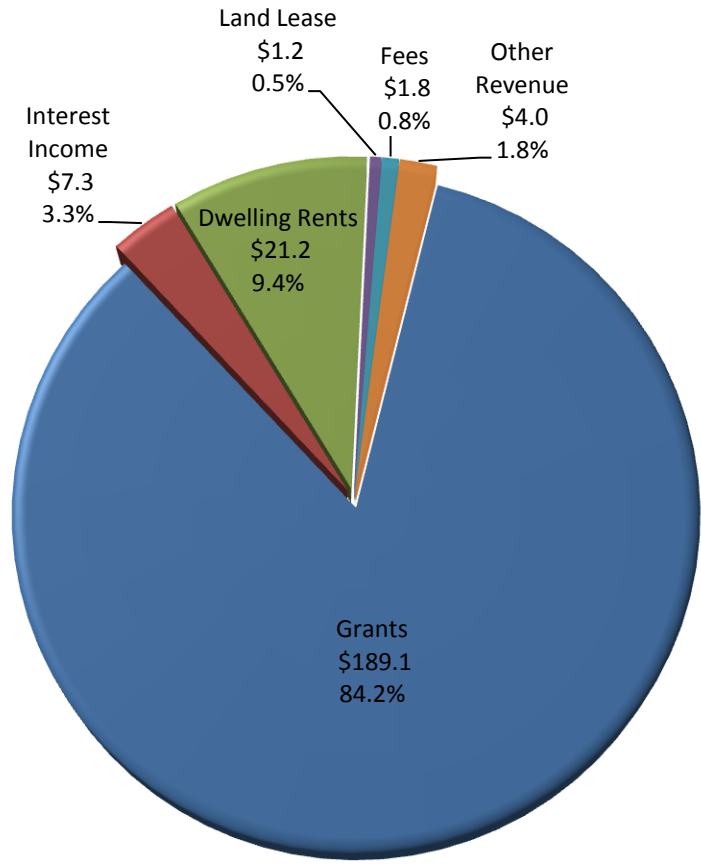
# Financial Section – Revenues

(\$ in Millions)

**June 30, 2011 - \$224.0MM**



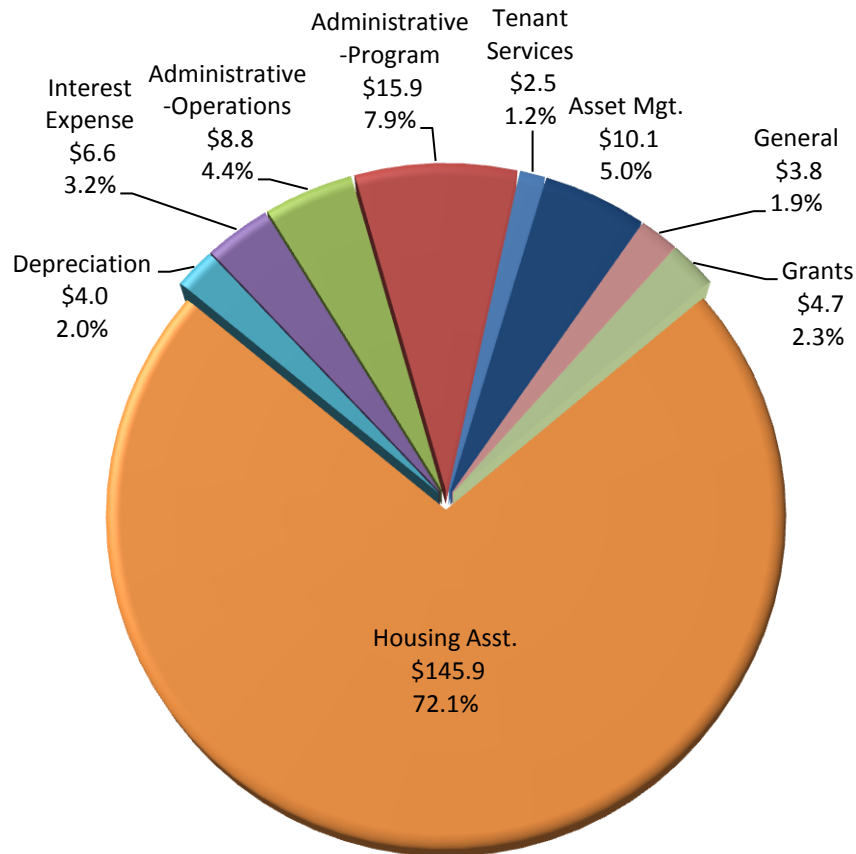
**June 30, 2010 - \$224.7MM**



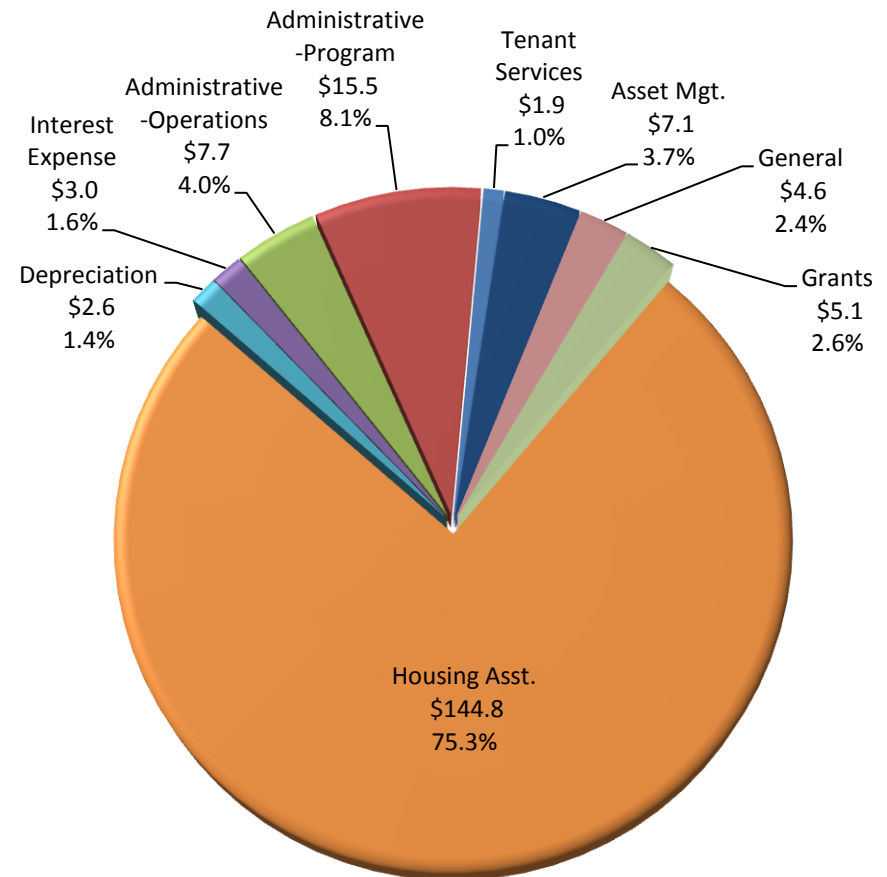
# Financial Section – Expenses

(\$ in Millions)

**June 30, 2011 - \$202.3MM**



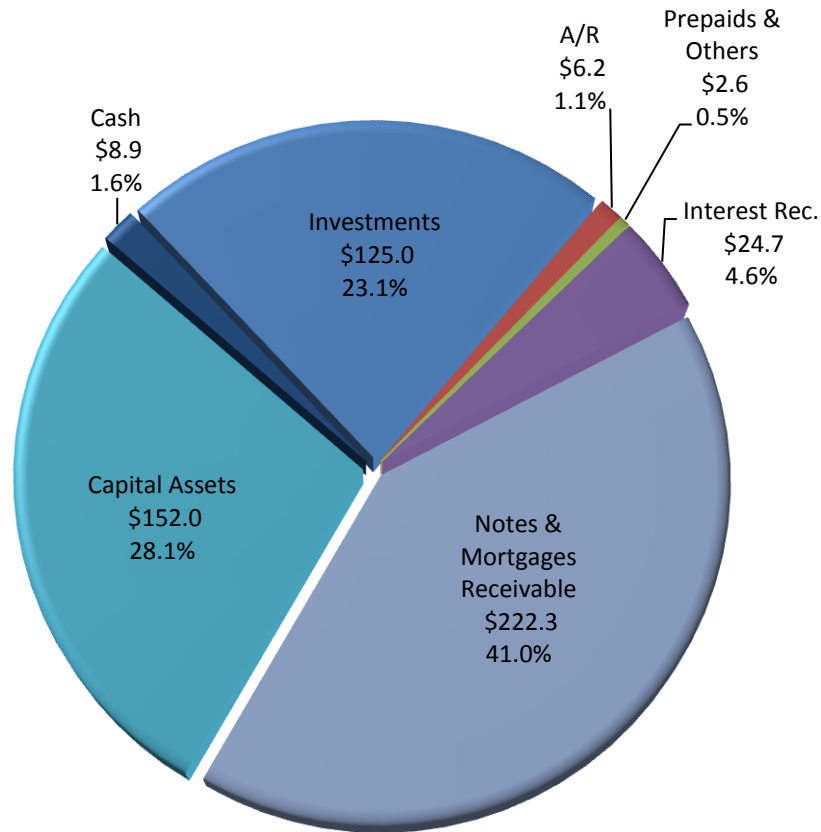
**June 30, 2010 - \$192.2MM**



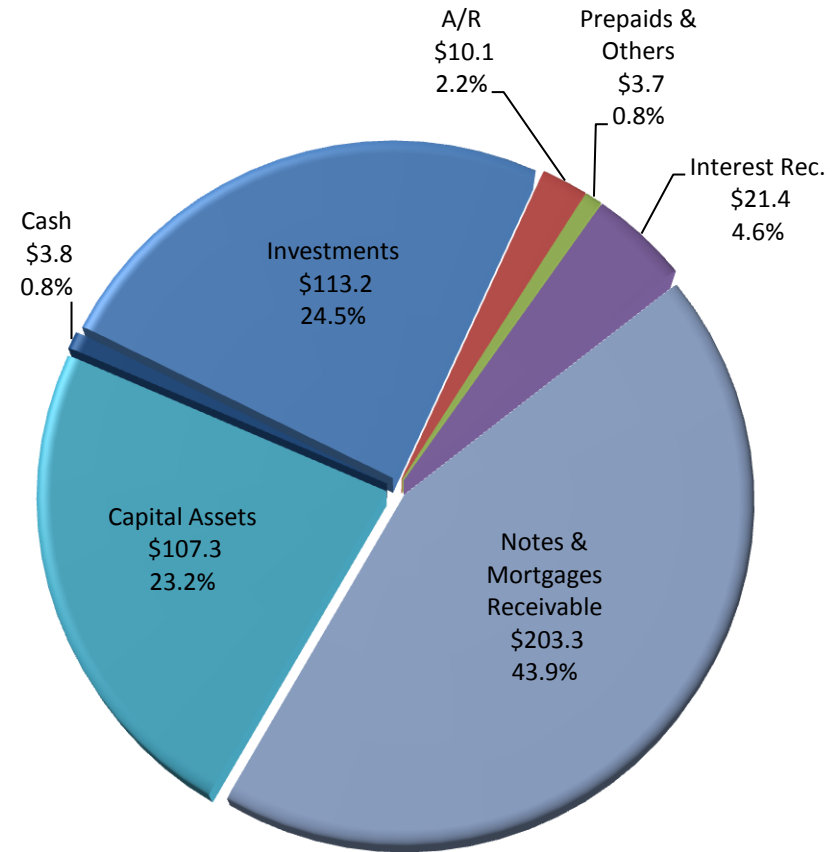
# Financial Section – Assets

(\$ in Millions)

**June 30, 2011 - \$541.7MM**



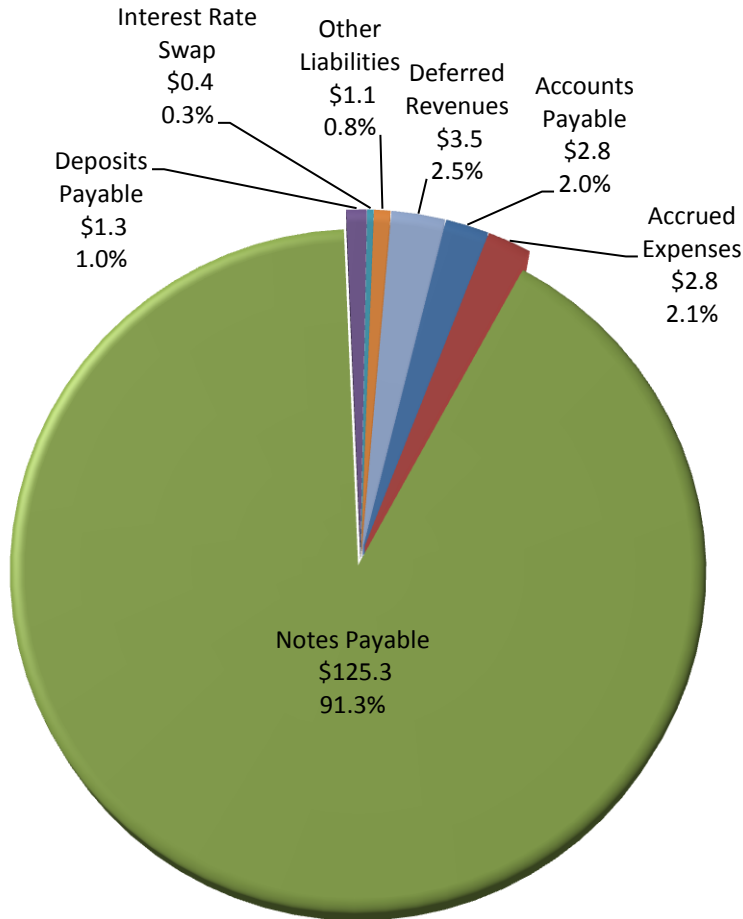
**June 30, 2010 - \$462.9MM**



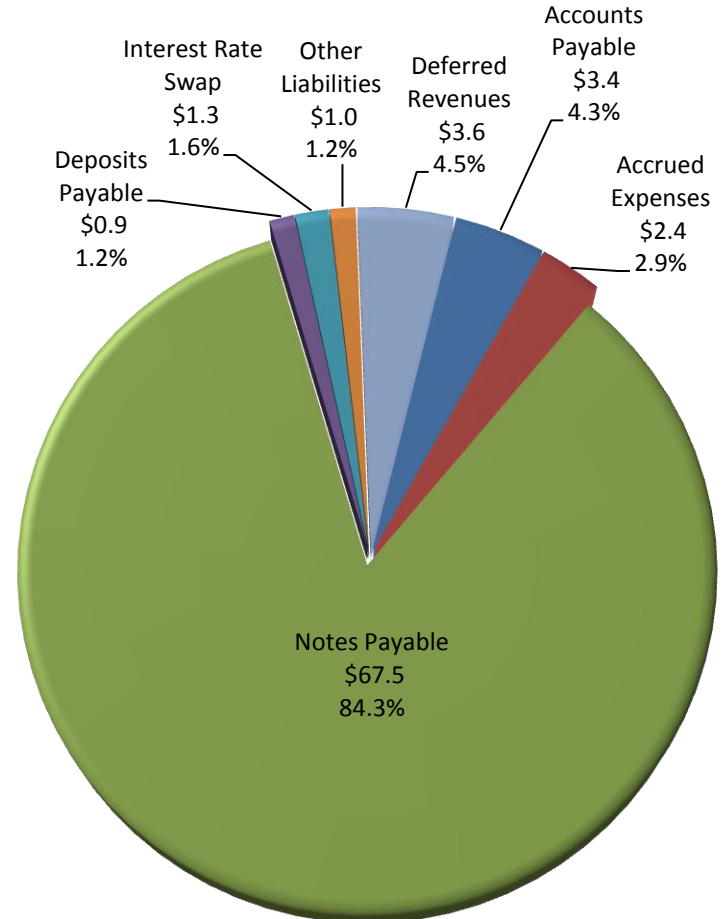
# Financial Section – Liabilities

(\$ in Millions)

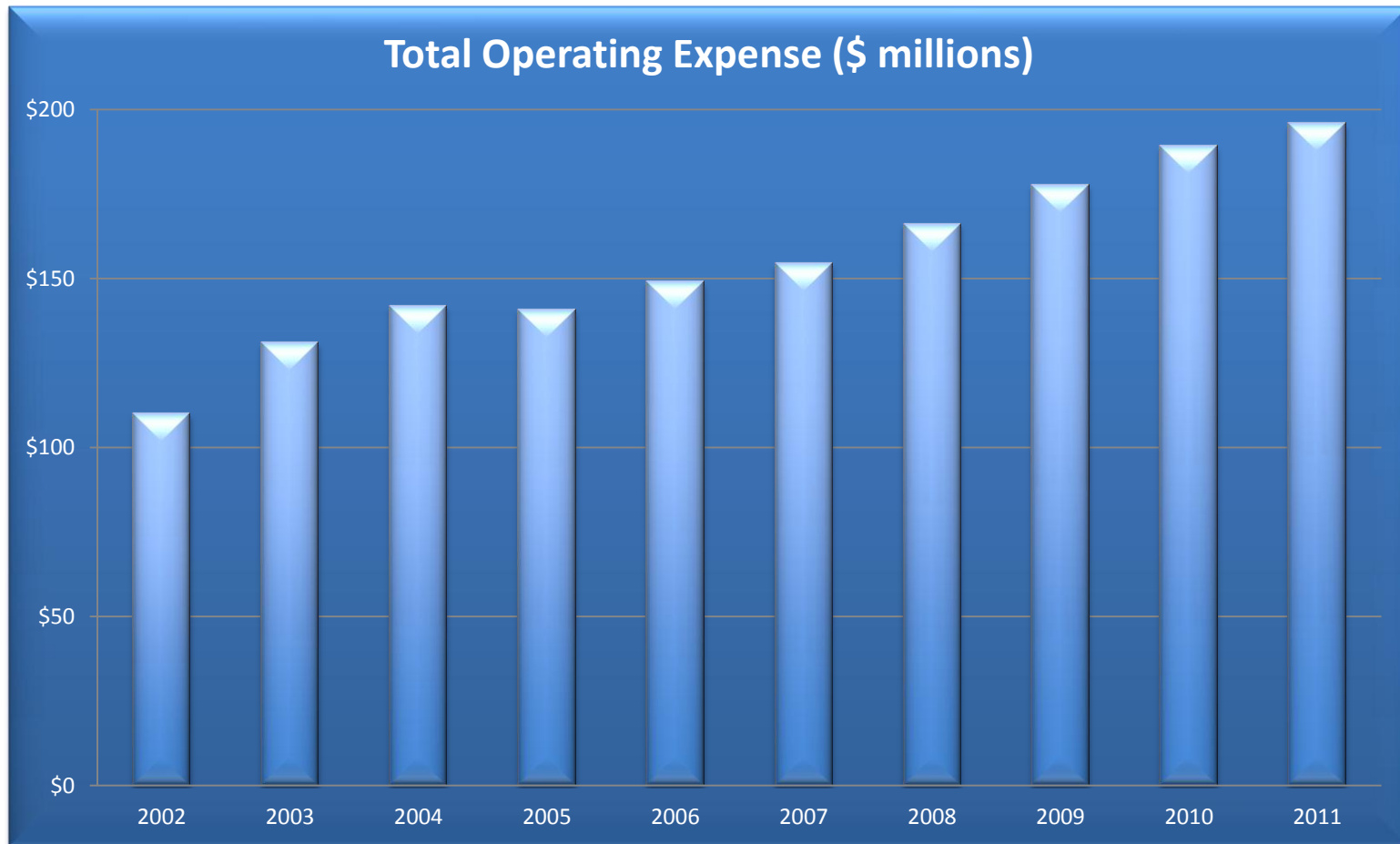
**June 30, 2011 - \$137.2MM**



**June 30, 2010 - \$80.0MM**



# Financial Trend Section - Expenses



# Grants Compliance Function

- Centralized grants compliance
- Review and sign-off on grant budgets and revisions
- Analyze grant documents for programmatic and financial compliance requirements
- Assign and monitor completion of compliance requirements
- Oversee financial reporting to granting agencies
- Oversee grant close-out



# Other Comments

- Footnote 18: Blended Component Units
- Based on motion made at the January 10, 2011 Audit Committee Meeting
- Request to report financial information for the Commission's LLCs separately





# Independent Auditors' Report

- Audit Procedures
  - Commission
  - LLCs
- Audit Opinion
- Comments
- Q&A

